

Discussion about the Bulgarian Tourism before 2005

The representatives of the tourism industry in Bulgaria would like to be aware of what is in store for the industry at least over the coming five years and needs consensus on the directions it should follow. This necessity of one of the sectors boasting the biggest number of private investors was among the major topics at the discussion "Sustainable Development of Bulgarian Tourism, 2005-2010." The Chairman of the Bulgarian Tourism Chamber (BTC) elaborated that the participants had debates on a draft strategy worked out by the major associations in the fully private tourism branch, with the intention to submit it to the Council of Ministers and underlie, if approved, the state policy in the sphere.

The basic "axioms" in the draft strategy are that the industry should develop along the line of the public-private partnership. The actual current structure of Bulgarian tourism (mainly large-scale sea tourism) should be diversified by other forms (eco, cultural, spa tourism). Apart from the basic services (hotel accommodation, food) additional ones (animation, etc.) should be also developed, and the tourist season - extended. The proposals underlying the draft strategy must include:

- Attention should be paid not only to foreign tourists, but also to the local ones.
- To concentrate the management of the tourism industry in the hands of one body, if possible - independent ministry;
- Integration of tourism industry organizations:
- Tax-relieves, state incentives and special funds.

There is an overwhelming opinion that it is neither possible, nor necessary to eliminate the dominant role of sea tourism that accounts for some 80 pct of the branch's total revenue. The idea is that the so-called alternative tourism to develop to complement sea tourism. Many tourism experts share the view that coastal tourism is not operating at full capacity. The average annual hotel occupancy rate at Bulgarian Black sea coast is hardly 35 pct. The major worries are over the growing concentration of hotels in the big resorts and the chaotic nature of developments along the Black sea coast. "Bulgarian business is concerned only with its profit tomorrow, in the next season at the most, and not with what will happen in the years to come. Business is the first level of marketing and if it is not oriented, there will be no one to do it was the opinion of Associate Professor Svetlana Rakadzhiiska from the University of Economics in Varna. Common understanding is the concept that a lot of money can be laundered by the construction of a hotel. Many tourism experts asked themselves: should we destroy like termites, the common natural and cultural heritage and how long shall we regard every personal business project as a project for our own personal well being, and not for the good and well-being of the local communities. There is a common opinion that in the coming few years, the phenomenon with the Black sea coast construction will be repeated in the mountain resorts, around Bansko, Borovets and perhaps Velinograd. Ski tourism currently accounts for some 10 pct in terms of revenue and number of tourists.

Currently a total 20 municipalities, occupying 9.0 pct of this country's territory, account for 80 pct of the bed capacity in Bulgaria. However, tourism has been ever more going out of these municipalities. Many local people now are willing to invest in tourism. When doing it by bank credits and savings, they insist that they are given guarantees about what

will happen. They cannot develop their business without public-private partnerships. A consultant expressed the vision that it is impossible for even a small hotel to exist, if it is not for the state or the municipality to help it by infrastructure. On a regional level we are witnessing a complete chaos at the moment. When, for example, a Phare project for cultural tourism is launched all municipalities start drafting projects. When there is funding provided for ecological tourism, the projects are rewritten with an accent laid on ecology.

Other tourism sector specialists express fears that their expectations about the tourist business on a regional level have been too high: "Normally on a world scale 68 pct of the tourists prefer the sea resorts, 18 pct travel for business reasons, and 14 pct - for all other types of tourism." In their view concerning Bulgaria these figures are as follows: 87 pct go to the sea, some 5.0 pct to 6.0 pct on business, and 8.0 pct to 9.0 pct - for other reasons.

The director of the newly set up Tourism Agency at the Economy Ministry, Bisser Yalamov, thinks however that if sea tourism can register a two-, threefold growth, tourism in the inland of the country can mark a growth of up to 50, 60 times. For this reason his idea is that the agency provide enough information to the regional structures and overseas markets. Yalamov has set forth the task for information on the market trends to be collected from the 50 tourist exchanges all over the world in which the agency participates. The current information is insufficient and it boils down solely to the number of tourists registered at the border checkpoints. There is no economic information, average number of tourist stays, and overnight revenue at the individual markets. There is no information about the Bulgarian tourists who are expected to be of key importance in the future, either. As for the national tourism marketing abroad which is also a responsibility of the agency, a competition has already been announced in accordance with the Public Procurement Act, for marketing strategy for Bulgaria as an all-the-year-round destination. The Tourism Agency reported that they envisage printing of appropriate advertising materials, purchase of time slots in the electronic media and in printed publications abroad, production of advertising spots and documentaries and marketing of Bulgaria to the Bulgarians. As for the way in which the tourist business environment will change in connection with Bulgaria's membership of the EU, it was not at all put forth for debates. One thing is clear - after Bulgaria's EU accession, there will be higher requirements to the tourism sector and the price policy won't be the same. The forecasts of the World Tourist Organization (WTO - Madrid) for the development of tourism by 2020 envisage an incessant growth of tourist travels - 4.1 pct on an average annual basis in the world and 3.0 pct on a European level. Even these forecasts indicate that Bulgarian tourism has a long way to go through to meet the average indexes for the sector on a world level. The WTO reported average revenue per tourist per day of \$82.3 (according to estimates of the WTO it stands at \$42-\$43 in Bulgaria). The average revenue per tourist stay is \$675 (\$420 for Bulgaria).